LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7096 NOTE PREPARED: Jan 1, 2003

BILL NUMBER: HB 1179 BILL AMENDED:

SUBJECT: Off-road Vehicles.

FIRST AUTHOR: Rep. Buck BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires that an off-road vehicle (vehicle) must be registered with the Department of Natural Resources (Department) in order to be operated. The bill revises the registration procedure. The bill also makes it a Class C infraction to operate a vehicle without the identification numbers issued by the Department attached to the vehicle, with certain exceptions.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues: State revenues may increase due to two factors: (1) Collection of penalties for unregistered vehicles, and (2) Increased revenues due to higher compliance with registration requirements.

Penalty Provision: If a person operates the vehicle without identification numbers affixed, they commit a Class C infraction. If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Registration Fees: This bill requires that an individual that purchases a vehicle include a copy of the bill of sale and a signed affidavit with the registration application. The following table presents the number of annual vehicle registrations processed by the Department of Natural Resources each year. The number of

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unregistered vehicles is unknown. The registration fee for vehicles is currently \$6. Given that there is now a penalty for operating a vehicle without registration numbers, the number of vehicles registered may increase. The effect this will have on fees collected for new registrations is unknown.

Off-Road Vehicle Registration.

Year	New Registrations	Renewals	Total
CY 2001	7,107	1,210	8,317
CY 2002	6,534	1,033	7,567

Note: 2002 as of October 31.

Explanation of Local Expenditures:

Explanation of Local Revenues: If a person operates the vehicle without identification numbers affixed, they commit a Class C infraction. If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Department of Natural Resources

Local Agencies Affected: Trial courts, local law enforcement agencies.

<u>Information Sources:</u> Emily Kress, Department of Natural Resources, Division of Outdoor Recreation, 317-232-4070

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